



# AFSCME

*American Federation of State, County and Municipal Employees, AFL-CIO*

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March 7, 2005

Members of the House Budget Committee  
U.S. House of Representatives  
Washington, DC 20515

Dear Representative:

On behalf of the 1.4 million members of the American Federation of State, County and Municipal Employees (AFSCME), I urge you to approve a congressional budget resolution that provides the necessary resources for state and local governments to meet the pressing needs of American children, elderly and working adults and to reject President Bush's proposed budget plan.

The Bush Administration's budget proposal is a disaster for state and local governments that would be expected to absorb deep cuts in Medicaid, education, community development, law enforcement, and employment and training. Moreover, spending caps and block grants are being proposed to further squeeze states, cities, and counties. While the proposed cuts are deeply troubling this year, the five-year outlook is even worse. By 2010, the real cut in funding for domestic discretionary programs would amount to \$66 billion or 16 percent.

Congress should instead support a budget resolution that provides the funding needed for education, health care, job training, and other services. These are not the programs that have caused the massive federal deficit to skyrocket. Rather, we urge you to focus on the real culprit and roll back the 2001 and 2003 tax cuts for wealthy Americans.

AFSCME also strongly opposes President Bush's proposals to cut funding for mandatory programs, including Medicaid and childcare, which assist both lower-income and middle-class Americans. The budget includes at least \$60 billion in Medicaid cuts to the states over the next decade. This level of cuts will almost certainly push financially hard-pressed states to eliminate coverage for a substantial number of low-income people, increasing the ranks of the uninsured and the underinsured. We join the nation's governors and state legislators in opposing this misguided proposal.

We are also concerned with the President's proposals to modify the federal budget process. AFSCME opposes caps on entitlement spending or the overall budget because such caps will inevitably undermine the services that state and local governments provide. We also oppose one-sided "pay-as-you-go" requirements that are only applicable to increases in mandatory spending and ignore tax breaks for wealthy Americans and multinational corporations.

At its core, the federal budget is a reflection of our nation's priorities. Regrettably, the President's plan sets forth the wrong choices and wrong priorities for America and should be rejected.

Sincerely,

Charles M. Loveless  
Director of Legislation